

Carl Moyer Memorial Air Quality Standards Attainment Program

AUDIT REPORT

Colusa County Air Pollution Control District Fiscal Years 2005/2006 – 2007/2008

**Prepared by: Mobile Source Control Division
Air Resources Board
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Introduction

As part of the Air Resources Board's (ARB) ongoing review of the Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program or CMP), ARB staff audited the Colusa County Air Quality Management District (District). The audit began in May 2009, with an entrance interview on May 11, 2009, and was conducted in accordance with the "Audit Process for Rural Districts" in ARB's Audit Policies and Procedures. These procedures are viewable at ARB's website:

<http://www.arb.ca.gov/msprog/moyer/audits/audits.htm>. This Audit reviewed program fundamentals; examined the use of public funds; and assessed whether emission reductions were real, quantifiable, and surplus. ARB conducted this review of the District's Carl Moyer Program as part of its oversight responsibility specified in Health and Safety Code section 44291(d). The exit interview, reviewing the audit findings was held on July 28, 2009.

1. Overall Assessment:

ARB found that the Carl Moyer Program, as implemented by the Colusa County APCD, is achieving the expected emission reductions and is generally in compliance with State requirements. The audit resulted in two findings: 1) work was started on projects before contracts with the applicants were fully executed and 2) project files had missing or inaccurate documentation. The District has taken action to mitigate the both findings and no further action is required (see Table 4 below).

2. Scope of the Audit: 2005/2006 through FY 2007/2008

The scope of the audit covered fiscal years 2005/2006, 2006/2007, and 2007/2008. During this period, the District accepted the Carl Moyer Program's minimum allocations and obtained waivers of the match funding requirement. The District also accepted Carl Moyer Program funds administered through the Rural Assistance Program [CMP(RAP)] in FY 2005/2006. Table 1 identifies the funding received for those years.

Table 1: Colusa County APCD Carl Moyer Program Funds*

FY	Program	Project	Administration	Total Grant
2005/2006	CMP	\$200,000.00	\$4,630.00	\$204,630.00
2005/2006	CMP(RAP)	\$95,451.48	\$1,306.00	\$96,757.48
2006/2007	CMP	\$180,000.00	\$20,000.00	\$200,000.00
2006/2007	CMP(RAP)	\$108,529.00	\$6,037.69	\$114,566.69
2007/2008	CMP	\$180,000.00	\$20,000.00	\$200,000.00

* Interest not included in table

3. Summary of District Projects Funded and Selected for File Review

The District has funded projects in one source category, agricultural pumps. Table 2 lists a summary of the projects that the District funded with CMP and CMP(RAP) funds.

Table 2: Colusa County APCD Carl Moyer Agricultural Pump Projects

Program	FY 2005/2006	FY 2007/2008	FY 2008/2009	Total
CMP	12	11	10	33
CMP(RAP)	4	6	0	10
Total	16	17	10	43

The Audit Team reviewed five agricultural pump projects from CMP and CMP(RAP) funded projects. These projects, listed in Table 3, provide a sample the District's projects from all the years in the scope of the audit.

Table 3: List of Projects Reviewed

Project Name	Project Number	FY	Funding Type
Vann Brothers	Vann 2 2006-9	2005-2006	CMP
Vann Brothers CAPCOA Yr 8	RAP-08-02	2005-2006	CMP(RAP)
Alsco-Geyer	CMP-2006-01	2005-2006	CMP
Charles Marsh	2007-04	2006-2007	CMP
Bill Stone	2008-15	2006-2007	CMP

4. Findings, Conditions, and Required Actions

Table 4 describes the audit findings, conditions, and any required District actions.

"Findings" are brief descriptions of the District's practices that are inconsistent with one or more of the following:

- State requirements under Health and Safety Code sections 44275 through 44299.2.
- Carl Moyer Program Guidelines (2005 versions) (<http://www.arb.ca.gov/msprog/moyer/guidelines/current.htm>).
- Carl Moyer Program advisories.
- Grant Award and Authorization requirements.
- Colusa County APCD's written policies and procedures, including its contracts with the engine owners/grant recipients.

"Conditions" are the more detailed descriptions of the District's practices observed by ARB audit staff during the audit. "Required Actions" are the minimum actions the District must take to mitigate the findings.

Table 4: Findings, Conditions, and Required Actions

Finding 1	Work started on project before contract was executed	Required Action
Condition	<p>For two FY 2005-2006 projects (Alsco Geyer and Vann), work was started after the projects was approved by the District, but before contracts with the applicants were fully executed. This practice was allowed by the District in their Policies and Procedures.</p> <p>The 2005 Carl Moyer Program Guidelines identify the following minimum contract requirement: no work may begin on the project until the contract is fully executed (Program Administration, Section VIII B-1).</p>	<p>No further action is required to mitigate this finding.</p> <p>Prior to the audit, the District modified their award letter and standard contract: For future projects grantees will be informed (by the award letter) and agree (via contract) that no work can begin on a project prior to a contract being fully executed. In addition, the District has updated their Policy and Procedures to be consistent with current Carl Moyer Program Guideline requirements concerning this practice.</p>
Finding 2	Missing or inaccurate project documentation	Required Action
Condition	<p>Project files that were reviewed had missing or inaccurate documentation.</p> <p>a) One project file could not be audited. The file contained extraneous information regarding other projects from the same grantee.</p> <p>b) Inspection forms lacked required confirmation of baseline and new engine operation and baseline engine destruction (2005 Carl Moyer Program Guidelines Section IX A).</p>	<p>No further action is required to mitigate this audit finding.</p> <p>a) The District reorganized the file so it could be reviewed and created a new project identification system.</p> <p>b) The District updated their inspection forms to capture the required information.</p>

5. Resources

1. Air Resources Board Carl Moyer Program Website
<http://www.arb.ca.gov/msprog/moyer/moyer.htm>
2. Air Resources Board Incentives Oversight Audit Website
<http://www.arb.ca.gov/msprog/moyer/audits/audits.htm>